

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY PETITION No 157 of 1999

with

Company Petition No.158 of 1999

For Approval and Signature:

Hon'ble MR.JUSTICE A.R.DAVE

=====

1. Whether Reporters of Local Papers may be allowed : YES
to see the judgements?
2. To be referred to the Reporter or not? : NO
3. Whether Their Lordships wish to see the fair copy : NO
of the judgement?
4. Whether this case involves a substantial question : NO
of law as to the interpretation of the Constitution
of India, 1950 of any Order made thereunder?
5. Whether it is to be circulated to the Civil Judge? : NO

PARSHWA ELECTRONICS SERVICES- LTD.

Versus

.

Appearance:

MRS SWATI SOPARKAR for Petitioner

CORAM : MR.JUSTICE A.R.DAVE

Date of decision: 08/10/1999

ORAL JUDGEMENT

These are the petitions filed by two Companies,
viz., Padmavati Electronics Private Limited (the
Transferor Company) and Parshwa Electronic Services
Limited (the Transferee Company) for sanction of a Scheme
of Amalgamation of the Transferor Company with the
Transferee Company under Section 391 read with Section
394 of the Companies Act, 1956 (hereinafter referred to

as 'the Act').

Both the Transferor and the Transferee Companies are engaged in the activities of manufacturing and servicing of electronics items. Both the companies belong to the same group of management. The amalgamation is proposed to achieve synergic advantages. The petitions give details of the advantages that would flow by virtue of the amalgamation of these companies.

All the shareholders of both the companies and the unsecured creditors (there being no secured creditors) of the Transferor Company had given their consents in writing to the Scheme of Amalgamation. Hence, the meetings of the shareholders of both the companies and the creditors of the Transferor Company were dispensed with by this High Court, vide the order dated 4.5.1999, passed in the respective company applications.

After the petitions were admitted, they were duly advertised in the newspapers and the publication in the Government Gazette was dispensed with as directed in the order dated 15.6.1999. No one has come forward with any objection to the said Scheme of Amalgamation even after the publication.

Notice of the petitions has been served upon the Central Government, and Smt. P.J. Davawala, Additional Standing Counsel, appears for the Central Government. She has informed the Court and placed on record the letter from the Registrar of Companies of Gujarat dated 9.9.1999, indicating that the Central Government does not propose to object to the scheme of amalgamation.

Notice of the petition of the Transferor Company has also been served upon the Official Liquidator as required under second proviso to Section 394(1) of the Act and the Official Liquidator has filed his Report dated 6.10.1999, stating that the affairs of the Transferor Company have not been conducted in a manner prejudicial to its members or to public interest.

I have heard Smt. Swati Saurabh Soparkar, learned Advocate for the Petitioner-Companies. Having gone through the petitions, I am satisfied that amalgamation would be in the interest of the companies and their members. Under the circumstances, the Scheme of Amalgamation (Annexure 'C' to the petitions) is sanctioned. Prayers in terms of paragraph 15(A) of the respective petitions are granted.

The petitions are disposed of accordingly. So far as the costs to be paid to the Central Government Standing Counsel are concerned, I quantify the same at Rs.2,500/- per petition to be paid to learned Advocate Smt. P.J. Davawala.

(apj)